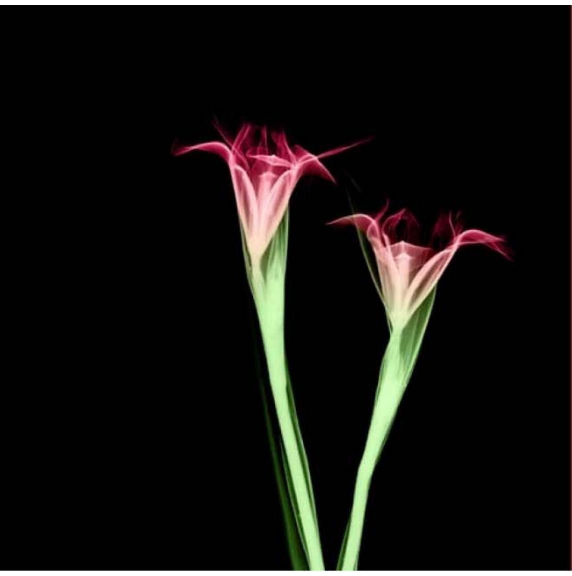
CEP CORPORATE EQUITY PARTNERS AG



Corporate Equity Partners Group
Annual Report 2010

Addresses

Corporate Equity Partners AG

Company office:
Obmoos 4
CH-6301 Zug
Switzerland

Subsidiary Companies as per 31 December 2010

The Fantastic TM GmbH
Obmoos 4
CH-6301 Zug
Switzerland

Corporate Equity Direct GmbH
Obmoos 4
CH-6301 Zug
Switzerland

Legal Notes

Advice on statements relating to the future

This Quarterly Financial Report reflects the position of the Corporate Equity Partners Group on December 31, 2010.

Where it has been possible, current developments have also been reported upon. The 2010 annual report also contains some statements relating to the future, that relate to future events or future financial developments. Such future-related statements are characterised by terms like e. g. “will”, “expects”, “could”, “estimates”, “plans”, “intends”, “is of the opinion”, “predicts” or similar terms. Statements relating to the future include uncertainties, known and unknown risks and/or other factors, that could lead, individually or in their interaction, to a situation in which the actual financial situation and/or the actual results, services or similar of Corporate Equity Partner AG differ from what is directly or implicitly expected in the statements relating to the future. The possible deviations can even be of a substantial scope.

Factors that have an influence on the actual development of the company are e. g. the development of the market, the general economic development in the countries and industries in which the company is active, the gaining/loss of qualified employees, fluctuations in currency exchange rates, changes in legislation and/or the regulatory environment, including taxation law but also including terrorist attacks, force majeure, acts of war, plague, internal unrest, etc.*

The company warns investors explicitly against relying to a high degree upon statements relating to the future. These only reflect the opinion of management at the point in time that this 2010 annual report was drawn up. Corporate Equity Partners AG accepts no obligation to realise or adhere to these statements relating to the future.

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* This list is intended to give examples and is by no means complete.

Group Summary (according to IFRS)

	01. Jan – 31. Dec. 2010 EUR	01. Jan – 31. Dec. 2009 EUR
Sales revenues	0	0
Gross Profit	0	0
Operating Revenues (EBIT)	-491.219	-957,397
Annual Result	-489.186	-956,716

	EUR	EUR
Cash-Flow from Operating Activities	-503.255	-948.362
Cash-Flow from Investment Activity	-7.078	353
Cash-Flow from Financing Activity	0	10
Translation differences	225.654	-16.847
Changes in Liquid Assets	-284.679	-964.846
Liquid Assets at the End of the Year	1.150.496	1.435.175

	as of 31 Dec. 2010 EUR	as of 31 Dec. 2009 EUR
Fixed Assets	10.384	3,193
Current Assets	1.161.927	1,463,274
Current Liabilities	90.014	106,412
Long-term Liabilities	0	0
Equity capital	1.082.297	1,360,055
Equity Ratio	92.3%	92.7%
Total Assets	1.172.311	1,466,467

CEP CORPORATE EQUITY PARTNERS AG

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Report of the Board of Directors

Dear Shareholders,
Dear Friends of the Company,

Following successful restructuring and cost reduction, the past year was primarily characterised by the search for operative business models. The search focused on companies that were suitable either as a joint venture partner with a desire for stock market listing or as a candidate for acquisition. The composition of the Board of Directors and division of responsibilities has not changed in the course of the year.

After it became clear at the beginning of the second quarter of 2010 that a possible transaction, which was already signed, could not be finalised due to failure of the counter party to fulfil an important condition precedent, the Board of Directors identified several possible sectors and subject fields that can be viewed as having strong growth and a promising future. The following growth sectors: green energy, e-mobility, video on demand, and sports brands were systematically investigated for potential joint venture partners or acquisition candidates.

After detailed due diligence analysis on different companies and deal negotiation in the above-mentioned industries, the Board of Directors had to refrain from the completion of transactions for various reasons. The principal reason for breaking up negotiations was different price expectations between potential joint venture partners and the Board of Directors of CEP. To protect the interests of CEP AG shareholders, the Board of Directors cancelled transactions without generating significant costs for consultants or postponed it until a later date.

The Board of Directors is currently in negotiations with two interested parties. However, these projects still harbour uncertainties, some of which lie outside the influence of the Board of Directors. In order not to jeopardise the likelihood of success, we shall not publish any details at this point.

At their meeting on April 27, 2011, the Board of Directors discussed the financial statements as of December 31 2010 for both Corporate Equity Partners AG and the Corporate Equity Partners Group in detail. The financial statements of Corporate Equity Partners AG and the Corporate Equity Partners Group were audited by Deloitte AG, Zurich, Switzerland and passed without any qualifications. After carrying out its own audit, the Board of Directors concurs with the findings of the auditor and has adopted the financial statements of Corporate Equity Partners AG and of the Corporate Equity Partners Group as of the December 31, 2010 during the said meeting on the April 27, 2011.

The Board of Directors thanks all business partners, friends, and shareholders of the company for the trust placed in them. We will continue to work hard in the future to justify the trust placed in us and make the shares of Corporate Equity Partners AG a successful investment.

Zug, April 2011

Oliver Krautscheid	**Roger Meier**	**Markus Gildner**
President of the Board of Directors	*Deputy President of the Board of Directors*	*Member of the Board of Directors*

Group Structure

Corporate Equity Partners AG

As of December 31, 2010, Corporate Equity Partners AG is a parent company with two additional 100% subsidiaries.

Corporate Equity Partners AG, CH-Zug
Parent company

The Fantastic TM GmbH, CH-Zug
Independent inactive Swiss subsidiary company

Corporate Equity Direct GmbH, CH-Zug (formerly known as Mallebrann GmbH)
Independent inactive Swiss subsidiary company

Board of Directors in 2010

Oliver Krautscheid, President of the Board of Directors

Membership of company and supervisory committees:

Value Investor Partners GbR, Frankfurt	Partner
Serafin Privat Holding GmbH, München	General Manager
Fortunatus GmbH, CH-Zug	General Manager
EPG Engineered nano Products Germany AG	President of the Board of Directors

Roger Meier, Deputy President of the Board of Directors

Membership of company and supervisory committees:

The Fantastic TM GmbH, CH-Zug	General Manager
Corporate Equity Direct GmbH, CH-Zug	General Manager
Adastra AG, CH-Freienbach,	Member of the Board of Directors
ETWeb Software AG, CH-Solothurn	Member of the Board of Directors
ExecuTRACK Software AG, CH-Solothurn	Member of the Board of Directors
Projektreal AG, Oberengstringen	President of the Board of Directors
Fortunatus GmbH, CH-Zug	General Manager

Markus Gildner. Member of the Board of Directors

Membership of company and supervisory committees:

Shanghai Really Sports Co. Ltd, Shanghai	President of the Board of Directors
Global Agenda GmbH, CH-Zug	General Manager
Time6Money AG, CH-Zug	President of the Board of Directors

Employees

The company employed one employee until April 2010, thereafter none.

Share information

Corporate Equity Partners AG is a corporation registered in Switzerland in the canton of Zug in accordance with Swiss law, the shares of which are listed in the regulated market and quoted in the prime standard of the Frankfurt stock exchange. The company is therefore subject to the regulations of the Swiss Code of Obligations, the German Securities Trading Act, and the German Stock Exchange Act.

WKN	A0YJPEW
ISIN	CH0108753523
Abbreviation	CED
Trading Places	Frankfurt, Xetra
Market segment	Prime Standard / Regulated Market
Designated Sponsor	Equinet AG, Frankfurt
Outstanding shares	7,016,400

Investor Relations

In addition to contact by telephone or email, the Internet site (http://www.corporate-equity.com) of Corporate Equity Partners AG is available to call up the latest information.

For Shareholders' Enquiries:

Telephone: +41 (44) 350 2280
Telefax: +41 (44) 350 2282
E-Mail: info@corporate-equity.com

Corporate Calendar

1st Quarterly Report 2011	May 31, 2011
General Assembly 2011	in June 2011
Half-Year Report 2011	August 31, 2011
3rd Quarterly Report 2011	November 30, 2011
Annual Report 2011	April 30, 2012

Shareholder structure

Substantial individual stockholders that were known to the company on the report cut-off date of 31.12.2010 and had exceeded the threshold of 3% on share capital:

Global Derivative Trading GmbH	43.51%
Alliance Growth Foundation LTD.	12.91%

The free flow amounted to 43.58% per 31. December 2010.

Discussion and analysis of the economic situation

Overview

Corporate Equity Partners AG is a corporation registered in Switzerland and listed on the regulated market / prime standard of the Frankfurt stock exchange. As of December 31, 2010, the company had two wholly-owned subsidiaries in Switzerland. The operative business of the Group is conducted through the parent company (Corporate Equity Partners AG). Both subsidiaries (Corporate Equity Direct GmbH and The Fantastic TM GmbH) were operationally inactive during the 2010 fiscal year. Group administration is located in Zug, Switzerland. The dissolution of a wholly owned subsidiary in the USA (The Fantastic Corporation (USA) Inc.) was completed in the course of the reporting year. An additional wholly-owned subsidiary (The Fantastic IP GmbH) was sold to a member of the parent company's Board of Directors in fiscal year 2010.

After departure from all operational activities in the software field during 2003 and successful restructuring in fiscal year 2006, the Group plans to concentrate on services, mainly in the of private equity segment, or rather to bring sustainable operational business to the company by investment in kind or acquisition. Earlier business activities in the field of special software had no influence on accounting for the Group in the reporting year.

In fiscal year 2010, the Board of Directors consisted of Oliver Krautscheid (President of the Board of Directors), Roger Meier (Vice President of the Board of Directors) und Markus Gildner. The Corporate Equity Partners Group had no employees as of December 31, 2010.

Consolidated group

The consolidated group of the Corporate Equity Partners Group in fiscal year 2010 were Corporate Equity Partners AG, Corporate Equity Direct GmbH, and The Fantastic TM GmbH.

Accounting Standards

Since January 1, 2004, the consolidated accounts of Corporate Equity Partners AG have been compiled in accordance with International Financial Reporting Standards (IFRS). Corporate Equity Partners AG and its consolidated subsidiary companies are headquartered in Switzerland and adhere to the accounting standards of that country when preparing their annual reports. The individual reports for the consolidated companies are adapted to the rules of IFRS when the consolidated accounts are drawn up. The consolidated financial statements were audited by Deloitte AG, Zurich, Switzerland, in accordance with their engagement, and passed without any restrictions or reservations.

Fiscal Year

These financial statements cover the reporting period January 1, 2010 to December 31, 2010.

Turnover and Gross Profit

As in the previous year, the company did not generate any turnover in fiscal year 2010. As there were no costs incurred to achieve turnover in either year, the company's gross profit from turnover was again zero.

Operating costs

The position 'personnel expenses' comprises predominantly the compensation for the board members as the Corporate Equity Partners Group had just one employee until April 2010. Compared to the previous year, personnel expense sank by EUR 117,851 or 34.2% to EUR 226,746 (2009: EUR 344,597). The initiated cost reductions took full effect from April 2010 onwards. Further cost reductions apply to the item administration and general costs.
These were reduced by EUR 322,152 or 55% from EUR 586,059 (prior year's comparison period) to EUR 263,907.

Other operating revenue fell from (2009) EUR 159,408 to EUR 1,007 in the reporting period. At the same time, other operating expense went from EUR 182,305 to EUR 0.

Operating costs were EUR 489,646 (prior year's comparison period EUR 953,553), and were thus EUR 463,907 or 48.7% below those in the 2009 comparison period, due to Board of Directors' massive savings measures.

EBITDA (earnings before interest, tax, depreciation, and amortisation)

The operating loss before interest, tax, depreciation, and amortisation, which, at EUR 489,646, was the same amount as operating costs, s EUR 463,907 or 48.7% below that of the prior year (EUR 953,553).

Write-offs, profit from the sale of a subsidiary company

Write-offs of EUR 2,754 were somewhat lower (-EUR 1,090 or 28.4%) than those in fiscal year 2009 (EUR 3,844).

In addition, the Group posted a profit for the reporting year in the amount of EUR 1,181 from the sale of a subsidiary company (2009: EUR 0).

Operating Result

The 2010 operating results stood at - EUR 491,219 and were thus an improvement of EUR 466,178 or 48.7% (prior year's operating results: - EUR 957,397) even though they remained highly negative.

Financial Result

The financial result increased by EUR 1,352 or 198.5% from EUR 681 (2009) to the current EUR 2,033.

Pre-tax Results and Annual Loss

The 2010 annual loss reached EUR 489,186 after amounting to EUR 956,716 in the prior year's comparison period, which amounts to a reduction in the period loss of EUR 467,530 or 48.9%. Income taxes did not accrue in either 2010 or the 2009 comparison year, so the year's loss is identical to the result before taxes.

Overall result

After taking into account currency differences in the amount of EUR 211,428 (2009: - EUR 11,226), the overall result for the Corporate Equity Partners Group is - EUR 277,758 (2009: - EUR 967,942). The overall 2010 result is thus EUR 690,184 or 71.3% better than in the comparison year.

Liquidity and Financial Resources, Cash-Flow

The cash flow statement for fiscal year 2010 shows a total funds outflow of EUR 284,679 (2009 funds outflow: EUR 964,846). The funds outflow from on-going business activity stood at EUR 503,255 (2009 funds outflow from on-going business activity: EUR 948,362) and the funds outflow from investment activity stood at EUR 7,078 (2009 funds inflow from investment activity: EUR 353). Cash flow from financing activity in the reporting year stood at EUR 0 (2009 funds inflow from financing activity: EUR 10).

At EUR 225,654, exchange rate differences had a positive impact on the cash flow statement, after costing the statement EUR 16,847 in the prior year.

As of December 31, 2010, liquid assets of the Corporate Equity Partner Group reached EUR 1,150,496 compared to EUR 1,435,175 on December 31, 2009.

Assets, Total Assets

The asset side of the balance sheet is characterised mainly by a fall in liquid assets of EUR 284,679 or 19.8% to EUR 1,150,496 compared to December 31, 2009 as a result of Group operating costs (as of December 31, 2009: EUR 1,435,175).

Claims against third parties declined by EUR 16,147 or 64.0% from EUR 25,234 (31 December 2009) to EUR 9,087. Current assets, which made up 99.1% of the total assets of the Corporate Equity Partners Group on December 31, 2010, declined in the reporting period from EUR 1,463,274 to EUR 1,161,927 (- EUR 301,347 or – 20.6%).

Long-term assets increased from EUR 3,193 to EUR 10,384 (+ 225.2%), due to investments in company IT equipment during the reporting year. The computer equipment item stood at EUR 10,383 on the balance date (December 31, 2009: 3,192), which represents an increase of 225.3%. Rights and licences maintained a balance sheet reminder value of EUR 1.

Total Assets for Corporate Equity Partners Group declined by EUR 294,156 or 20.1% from EUR 1,466,467 to EUR 1,172,311, primarily as a result of the reduction in liquid assets.

Equity capital, liabilities

On the liabilities side of the balance sheet, trade accounts payable were reduced by EUR 19,383 or 76.8% to EUR 5,860 (as of December 31, 2009: EUR 25,243). The remaining liabilities were reduced by EUR 6,653 from EUR 23,845 to EUR 17,192 (- 27.9%). On the other hand, accruals and deferrals increased by EUR 9,431 or 16.8% from EUR 56,018 (December 31, 2009) to EUR 65,449. By comparison, changes in short-term liabilities and tax liabilities were marginal. In total, the short-term liabilities of the Corporate Equity Partners Group fell by EUR 16,398 or 15.4% and stood at EUR 90,014 at the end of fiscal year 2010 (December 31, 2009: EUR 106,412). The short-term liabilities make up 7.7% of the entire balance sheet total for the Group (2009: 7.3%).

As in the previous year, Corporate Equity Partners Group did not post long term liabilities.

As a result of a loss for the year of EUR 489,186 (loss for 2009: EUR 956,716) the equity capital of the Corporate Equity Partners Group declined from a total of EUR 1,360,055 as of December 31, 2009 to EUR 1,082,297 currently, despite a positive change in currency differences from (2009) EUR 533,725 to EUR 745,153. The decrease therefore amounted to EUR 277,758 or 20.4%. The equity ratio was 92.3% compared with 92.7% on December 31, 2009.

At EUR 1,438,190, the share capital portion of equity capital remained unchanged in both the reporting year and the comparison year. As of December 31, 2010, losses carried forward stood at EUR 611,860 after a profit carried forward in the amount of EUR 344,856 as of December 31, 2009, that arose as a result of balance sheet restructuring in fiscal year 2009, was posted.

Current situation of the Corporate Equity Partners Group

The Group continues to examine suitable companies in order to bring sustainable, operative business into the company by payment in kind or acquisition. To preserve existing liquidity in the Group, particular value is placed on the application of a cost-optimized procedure. Since the search activities take place without geographic or trade-specific restraints, the Board of Directors believes that they will achieve the desired successes in the middle term.

Risks

The risk profile of Corporate Equity Partners Group has not changed in the 2010 fiscal year. So, for example, there is no guaranteed that the planned acquisition and integration of sustainable operative business will succeed. Furthermore, it is uncertain whether the revenue expectations associated these acquisitions will materialise at the planned time and at the expected level and whether these revenues will be sufficient to fully cover Corporate Equity Partners Group's costs.

Furthermore, the strategic alignment of the Corporate Equity Partners Group also makes the Group more dependent on developments in (international) financial markets. This is particularly true regarding the attraction of investments to fund Corporate Equity Partners Group. It should be noted that the continuing after-effects of the international financial crisis complicates attraction of investment funds, even making it, at least partly, impossible.

Furthermore, the Group is also subject to takeover risk, due to its plans to acquire a sustainable business model. Generally, company acquisitions are subject to a high level of risk that cannot be completely excluded even after extensive due diligence. Corresponding risks must be expected, especially with international transactions, no matter how they are inspected by Corporate Equity Partners Group. For example, such risks can result from the previous business of these companies and be accompanied by unforeseeable financial obligations. It cannot, therefore, be guaranteed that the prices paid for companies reflect their actual value and that no later write-offs on these investments will be necessary. In addition, losses from the valuation of shareholdings can also result from changes in the accounting regulations applied.

Additionally, Corporate Equity Partners can make use of opportunities as they arise in the capital markets to invest company assets and achieve short term revenues for Corporate Equity Partners Group. This gives rise to not inconsiderable risks that could lead to the total loss of invested capital and, in certain cases, to considerable financial obligations for the company that could threaten its continued existence.

As of December 31, 2010, 98.1% of Corporate Equity Partners Group assets consisted of liquid assets that were held in the form of bank deposits. It must also be pointed out that these could (at least in part) be lost in the event of a renewal or continuation of the international financial and banking crisis if one or more of the banks in which these deposits are held became insolvent and was not rescued by governmental or other intervention.

Corporate Equity Partners Group achieved no turnover in the fiscal years from 2007 to 2010, while incurring costs for setting up business activity planned for the future. This led to regular losses and the outflow of liquid assets. It is not certain whether and when Corporate Equity Partners Group will generate revenues. It may, therefore, also be existentially dependent upon the occurrence of further financing measures in the future. Whether these financing measures will occur and if so, under what conditions that would be the case, cannot be predicted at this point. However, it cannot be excluded that further financial measures would only take place under very adverse conditions for the (old) shareholders and or/ Corporate Equity Partners Group. Additionally, a breakdown of further financing measures would threaten the Company's existence.

The risks that the company faces, which include additional, currently still unknown risks, could lead to considerable losses in the future that could both negatively affect the share price of the company or strongly limit further possibilities for financing Corporate Equity Partners Group.

Furthermore, every future-oriented action is based on certain expectations concerning the future framework conditions and the environment. However, there is no guarantee that these expectations will actually occur. This risk can lead to seriously erroneous decisions by management. In connection with the risks of future development, express reference is made to the “Advice on statements relating to the future” at the beginning of this business report.

Zug, April 30, 2011

Oliver Krautscheid	**Roger Meier**	**Markus Gildner**
President of the Board of Directors	*Deputy President of the Board of Directors*	*Member of the Board of Directors*

Report of the statutory auditor

To the general assembly of
CORPORATE EQUITY PARTNERS AG, ZUG

Report on the consolidated financial statements

As statutory auditor, we have audited the accompanying consolidated financial statements of Corporate Equity Partners AG, which comprise the balance sheet, income statement, cash flow statement, statement of changes in equity and notes for the year ended 31 December 2010.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards and International Standards on Auditing (ISA). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2010 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with IFRS and comply with Swiss law.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Deloitte AG

Martin Welser	Bernd Unser
Zugelassener Revisionsexperte	Zugelassener Revisionsexperte
Leitender Revisor	

Zürich, 27. April 2011

MWE/BUN/mfr

CEP CORPORATE EQUITY PARTNERS AG

Consolidated financial statements of Corporate Equity Partners AG and Subsidiaries

CEP CORPORATE EQUITY PARTNERS AG

as of 31 December 2010

including Comparison Periods
and the translated Auditors’ Report

CEP CORPORATE EQUITY PARTNERS AG

Consolidated balance sheet

ASSETS

	Reference to the Appendix	31 Dec 2010 EUR	31 Dec 2009 EUR
Current Assets			
Cash and Cash Equivalents	3	1,150,496	1,435,175
Receivables from Third Parties		9,087	25,234
Accruals and Deferrals		2,344	2,865
Total Current Assets		***1,161,927***	***1,463,274***
Fixed Assets			
FIXED ASSETS			
EDP equipment		10,383	3,192
INTANGIBLE ASSETS			
Rights and Licences		1	1
Total long-term assets		***10,384***	***3,193***
TOTAL ASSETS		**1,172,311**	**1,466,467**

LIABILITIES

	Reference to the Appendix	31 Dec 2010 EUR	31 Dec 2009 EUR
Current Liabilities			
Liabilities from Deliveries and Services		5,860	25,243
Other Liabilities		17,192	23,845
Short term Liabilities		0	3
Tax Liabilities		1,513	1,303
Accrued Liabilities		65,449	56,018
Total Current Liabilities		***90014***	***106,412***
Total Long-term Liabilities		***0***	***0***
Equity Capital			
Share Capital	10	1,438,190	1,438,190
Currency differences		745,153	533,725
NET PROFIT/LOSS FOR THE YEAR			
- Profit / Loss Brought Forward		-611,860	344,856
- Net loss for the period		-489,186	-956,716
Total Equity Capital		***1,082,297***	***1,360,055***
TOTAL LIABILITIES		**1,172,311**	**1,466,467**

Comprehensive Income

	Reference to the Appendix	1. Jan – 31. Dec 2010 EUR	1. Jan – 31. Dec 2009 EUR
Sales revenues		0	0
Cost of Services Provided		0	0
Gross Profit		***0***	***0***
Personnel Costs		-226,746	-344,597
Administration and General Costs		-263,907	-586,059
Other Operational Costs	5	0	-182,305
Other Operational Revenue	6	1,007	159,408
Total Operating Costs		**-489,646**	**-953,553**
Earnings Before Interest Depreciation and Amortisation (EBITDA)		***-489,646***	***-953,553***
Depreciations		-2,754	-3,844
Profit from the sale of a subsidiary company	8	1,181	0
Operating Revenues (EBIT)		***-491,219***	***-957,397***
Financing Revenues		1,633	2,885
Financing Costs		-885	-1,467
Capital Gains/Losses (Net)		1,285	-737
Total Financial Result		**2,033**	**681**
Pre-Tax Profit/Loss		***-489,186***	***-956,716***
Taxes	7	0	0
Net loss for the period		***-489,186***	***-956,716***
Undiluted and diluted result per share		[1] **–0,0697**	[1] **–0,1364**

[1] Number of shares: 7,016,400 (previous year: 7,016,388 [weighted average])

	2010	2009
Net loss for the period	***-489,186***	***-956,716***
Other Results		
- Currency differences	211,428	-11,226
OVERALL RESULT	***-277.758***	***-967,942***

This Annual Report is an uncertified translation, only the German version is legally binding.

Consolidated cash flow statement

Cash-Flow from Current Business Activity:	Reference to the Appendix	1. Jan – 31. Dec 2010 EUR	1. Jan – 31. Dec 2009 EUR
Pre-tax loss for the period		-489,186	-956,716
Reconciliation of loss in period to cash outflow from current business activities:			
Depreciations		2,754	3,844
Financing Revenues		-1,633	-2,885
Financing Costs		885	1,467
Decrease / Increase of the Short-term Receivables		1,8519	31,229
Decrease / Increase of the Short-term Liabilities		-35,342	-26,719
Paid interest and dividends		-885	-1,467
Received interest and dividends		1,633	2,885
Cash Inflow (Outflow) from Current Business Activity		***-503,255***	***-948,362***
Cash-Flow from Investment Activity:			
Investments in movable tangible assets		-8,258	-3,286
Rent Deposit Account (payments in)		0	-4,780
Rent Deposit Account (payments out)		0	8,419
Profit from sale of subsidiary company	8	1,180	0
Cash Inflow (Outflow) from Investment Activity		***-7,078***	***353***
Cash-Flow from Financing Activity:			
Capital increase	12	0	10
Cash Inflow (Outflow) from Financing Activity		***0***	***10***
Profits / Losses due to Exchange Rate fluctuations		225,654	-16,847
Increase / Decrease in Cash or Cash Equivalents		**-284,679**	**-964,846**
Liquid assets at start of period		**1,435,175**	**2,400,021**
Liquid funds at end of period		**1,150,496**	**1,435,175**

Changes in shareholders' equity

All figures in EUR

Equity Capital	Share Capital	Currency differences	Loss carried forward	Total Equity Capital
Status as of 1.1.2009	**4,452,639**	**544,951**	**-2,669,603**	**2,327,987**
Capital increase	10			10
Capital decrease	-3,014,459		3,014,459	0
Positions from the overall results				
- Currency differences		-11,226		-11,226
- Net loss for the period			-956,716	-956,716
Overall result		**-11,226**	**-956,716**	**-967,942**
Status as of 31.12.2009	**1,438,190**	**533,725**	**-611,860**	**1,360,055**

Equity Capital	Share Capital	Currency differences	Loss carried forward	Total Equity Capital
Status as of 1.1.2010	**1,438,190**	**533,725**	**-611,860**	**1,360,055**
Positions from the overall results				
- Currency differences	211,428		211,428	211,428
- Net loss for the period		-489,186	-489,186	
Overall result		**211,428**	**-489,186**	**-277,758**
Status as of 31.12.2010	**1,438,190**	**745,153**	**-1,101,046**	**1,082,297**

Notes to the Consolidated Accounts

1. Business Activity

"Corporate Equity Partners AG" ("the Company") is a Swiss Pubic Limited Company with headquarters in Zug, Obmoos 4.

The commercial activity of the Company, according to the entry in the trade register, essentially comprises the acquisition, holding and administration of investments in other companies and the development, marketing, distribution and support of software solutions for data transferral via satellite, radio cable network and other types of transferral and for the accompanying applications in the field of information technology.

Subsequent to realignment, the company commenced operations. However, it has not generated any turnover from ordinary business activity in the 2010 fiscal year.

2. Principles applied in this Consolidation and Valuation

Principle for the Presentation of Accounts
The consolidated accounts were produced on the basis of historical acquisition and production costs and in accordance with International Financial Reporting Standards (IFRS). The valuation and balance sheet methods were the same as those used in 2009. The reporting currency is EUR, as it is expected that the company will generate income in EUR from its future operations.

The company has implemented all new and changed IFRS standards and interpretations ("IFRICs") that came into force for the fiscal year beginning on January 1, 2010. These are the following standards and interpretations: IFRS 2 Changes with respect to share-based payments settled in cash in the Group; IFRS 3R Mergers; IAS 27R Group and separate financial statements as well as the follow-up amendments in IAS 28 (shares in associated companies) and IAS 31 (shares in joint ventures); IAS 39 Changes with respect to permitted underlying transactions; IFRIC 17 Distribution of dividends to owners as well as additional changes arising from annual improvements in IFRS.

These revised standards and new interpretations had no influence on the Group, financial statements.

At the time of adoption of these Group accounts, the following new and revised IFRS standards and interpretations were published, but not yet in force on the balance date (date of entry into force in parentheses for annual accounts beginning on): New standard: IFRS 9 Financial instruments — classification and valuation (January 1, 2013).

Revised standards: IAS 24 Information about related companies and persons (January 1, 2011); IAS 32 Revisions with respect to the classification of subscription rights (February 1, 20120); IFRS 7 revisions with respect to statements about the recognition of financial instruments (January 1, 2013) as well as additional revisions as a result of annual improvements to IFRS. New interpretations: IFRIC 19 Repayment of financial liabilities with equity capital instruments (July 1, 2010). Revised interpretation: IFRIC 14 Revision concerning voluntary advance payments (January 1, 2011).

These new or revised standards will also have no or no significant impact on the Group financial statements.

Consolidation Approach
The consolidated financial statements, consisting of the balance sheet, statement of recognised income and expense (formerly the profit and loss account), cash flow statement, change in shareholder's equity and the appendix, are based on the annual accounts of the companies included in the consolidated Group of companies. The individual company accounts compiled in accordance with local and national regulations and practices have been converted and summarised along the guidelines established for the consolidated financial statements, thereby applying IFRS in order to ensure a uniform application and interpretation of the valuation and consolidation principles.

Consolidation Principles
The consolidated accounts contain all domestic and foreign companies in which the Company owns 50% or more of the shares, either directly or indirectly, or upon which the Company exercises control by other means.

Consolidated group
These Consolidated Financial Statements include the following companies: "Corporate Equity Partners AG" and its subsidiaries "The Fantastic TM GmbH and "Corporate Equity Direct GmbH" (together the "Group").

Corporate Equity Partners AG	Switzerland	Holding
The Fantastic TM GmbH	Switzerland	100%
Corporate Equity Direct GmbH	Switzerland	100%

The following subsidiary in Switzerland is no longer included in these Consolidated Financial Statements because it was sold to a member of the Board of Directors during the first quarter of 2010.

The Fantastic IP GmbH	Switzerland	100%

Dissolution of the following subsidiary company in the USA was successfully completed in the first half of 2010:

			Liquidation Concluded
The Fantastic Corporation (USA) Inc.	USA	100%	May 2010

An insignificant cash surplus is posted in the statement of recognised income and expense under “other operating revenue”.

Conversion of Foreign Currencies and Currency Differences
The accounting of the Group companies is carried out in the currency of the economic region in which the respective company is primarily active (functional currency). At present, this is especially the Swiss franc (CHF). Transactions in foreign currencies are converted into the functional currency at the exchange rates that were applicable on the day of the transaction, or at the average rate for the month. Balance sheet items in foreign currency are converted at the period-end exchange rate on the balance sheet date. Profits and losses from foreign currency transactions and from the revaluation at the period-end exchange rate are recorded as affecting net income.

The consolidated accounts are presented in Euro (presentation currency). The annual reports of the Group companies (currently especially CHF annual reports) are converted at the exchange rates valid on the balance sheet date, using the cut-off date method (balance sheet items at the exchange rate on the cut-off day, statement of recognised income and expense at the average exchange rate of the period). The conversion differences resulting from this are shown in the remaining overall results and accumulated in equity capital and only shown as affecting net income in the case of a possible deconsolidation of the Group company.

Main sources of uncertainty in estimations and exercising of discretion in the application of accounting and valuation methods
Accounting requires that the management make estimates and assumptions which influence the extent of the assets and liabilities shown as well as contingent liabilities and contingent assets at the point in time of the accounting, but also costs and income in the report period. The assumptions and estimates are based upon knowledge from the past and various other factors that can be seen as relevant under the given circumstances. Subsequent actual results may deviate from these estimates.

The consolidated accounts as of December 31, 2010 contain no substantial sources of uncertainty or special matters of judgement in the practice of accounting and valuation methods.

Cash and Cash Equivalents

The Group treats all capital investments with high liquidity and a maturity of up to three months from the date of the acquisition as liquid funds.

Short-term Financial Investments

Short-term financial investments consist of fixed term deposits and loans that are held for the purpose of short-term financial investment. Short-term financial investments are valued at the market value. The profits or losses arising from these investments are added to/deducted from net income.

FIXED ASSETS

The fixed assets are valued at acquisition cost less accumulated depreciation in accordance with IAS 16. Maintenance, repair and renovation costs are deducted from net income, whereas substantial acquisitions of fixed assets are reflected in the balance sheet. Acquisition costs and accumulated depreciation relating to the retirement of these assets are netted off. Profits and losses resulting from the retirement of fixed asset items are recorded in the statement of recognised income and expense.

A linear depreciation over the expected useful life of the asset is applied:

Type	**Duration**
Technical Plant and Machinery	5 years
Office Furniture	5 years
Vehicles	4 years
IT Hardware	3 years

Intangible Assets

Intangible assets (patents and similar rights) that have been bought from third parties are entered at acquisition cost, minus accumulated depreciation.

The depreciation is debited to the statement of recognised income and expense under the item “depreciation”, on a linear basis over the expected useful life. Intangible capital goods are depreciated commencing with the date of first use. The expected useful live of these assets are:

Type	**Duration**
Software	3 years
Patents and similar Rights	5 years

Reduction in Value of Assets (Impairment)
At least at every accounting date, it is judged whether there are indications of an impairment of the accounting values of the assets of the Group. When there are such indications, the achievable value of the assets is investigated. A loss from the impairment is entered in the accounts if the present accounting value is higher than the achievable value. The higher of the two, net re-sell value and value obtained through use is applied in the valuation model. The value from use is obtained from the estimated future cash flows derived from the assets' use. The discount rate used for this corresponds to the average capital interest rate of the country in which the asset is located, taking into account the specific risks of the asset.

Reserves
Reserves are all present commitments for which the date and amount cannot be conclusively assessed and the causes of which lie in the past. Management has estimated the extent and probability of such an occurrence according to the best of its knowledge.

Income Taxes
Income taxes include all taxes that are applied to the taxable profit of the Company and its Subsidiaries. Deferred taxes on as yet unused tax losses carried forward have – in accordance with IAS 12.24 and IAS 12.35 – not been recorded, as such amounts cannot be made use of with sufficient certainty.

Personnel Pension Arrangements and other Services for Employees
The Company's pension plan adheres to the regulations and specific situations prevalent in Switzerland. The employees are enrolled in an insurance company pension plan ("Sammelstiftung VITA") which includes insurance cover for pension, disability, and death. The contributions of the occupational pension plan are paid by the employer and employees in accordance with the laws and regulations outlined in the respective codes of conduct.

Due to the legal guarantees, this pension plan is classified as performance-orientated under IAS 19. The cost of this pension plan and the cash value of the pension commitment are determined on the basis of actuarial assumptions using the projected unit credit method. The evaluation of the pension commitment is carried out annually by an independent expert.

On-going pension claims are recorded in the period of the statement of recognised income and expense in which they arise. Profits and losses from insurance calculations are recorded in the profit and loss account as soon as they exceed 10% of the cash value of the pension commitment (and/or 10% of the pension assets, if higher).

Transactions with Related Persons or Parties
Someone who can directly or indirectly exert a significant influence on financial or operational decisions of the Company or the Group is considered a related person or party (natural or legal). Companies that are directly or indirectly controlled by related persons or parties also count as related.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial Instruments
The financial instruments of the Group consist of liquid funds, claims and liabilities. Financial instruments are then shown in the Group balance sheet if the Group becomes party to the contractual conditions of the instrument, which, in the case of purchase or sale of a financial instrument, corresponds to the trading day. The accounting value of financial instruments such as liquid funds and claims and liabilities essentially corresponds to the market value due to the short-term maturities of these financing instruments.

Risk Management in general
Through the involvement of the Board of Directors and management, risks are constantly monitored. Due to its small size, the company does not have a formal risk management process. All transactions are reviewed by at least two officers of the company.

The main risks consist of the further development of international financial markets and thus the possibility of carrying out additional financing measures for the company, successful implementation of the strategic alignment of the Group as a private equity management company, and the ability to identify appropriate investment properties within a reasonable time frame and activate the appropriate investments.

Risk management in connection with financial instruments
Management can make use of derivative financial instruments for the purpose of securing the share price, especially for hedging currency risks. Hedge-accounting in accordance with IAS 39 is not used. No derivative financial instruments are held for speculative purposes. When derivative financial instruments are first shown on the balance sheet, they are recorded at the market value on the date of sale and then revaluated at market value on each succeeding balance sheet date. Changes in the market value of the financial instruments are shown in the statement of recognised income and expense.

a) Credit Risks
Credit risks and risks in connection with default by an opposing party are monitored. Management does not expect any default, due to the credit rating of the opposing parties. The accounting values correspond to the maximum default risk.

b) Liquidity Risks
Due to the existing short-term investments in fixed term deposits and loans, which can be sold at any time, there are no liquidity risks at present. The maturity structure of the contractual liabilities that is required by IFRS 7 is omitted, as no longer-term or interest-bearing debts exist.

c) Market Risks

c1) Interest Rate Risks
The Group is not subject to any substantial interest rate risks.

c2) Foreign Currency Risks
As the financial assets and liabilities of the Group are partly held in foreign currency, the Group is subject to a certain currency risk.

Investments in subsidiary companies outside the Euro region are not hedged. Because exchange rate differences from the consolidations of these companies are shown in the equity capital, profits and losses relating to this only have effect on net income in the event of a sale or liquidation of the company in question.

If, on 31st December 2010, the EURO had increased in value by 5.0% against the Swiss Franc and all other variables had remained constant, the equity capital would have been reduced by EUR 57,000. A fall in value of the EUR relative to the CHF would have caused a corresponding increase in equity capital. These fluctuations can be attributed to the conversion of balance sheet items from CHF into EUR. The impact on the profit or loss for the year of a currency fluctuation on this scale would not be significant.

c3) Fair Value Risks
There were no material fair value risks on 31.12.2010.

Capital Management
Within the framework of capital planning, the Company aims to secure the on-going financial requirements for continuation of the Company and provide the necessary funds to achieve the aims of the reorientation of the Company. Management can carry out adjustments in view of the planned reorientation.

3. Cash and Cash Equivalents

		31.12.2010		31.12.2009
Current Account Deposits	EUR	27,626	EUR	23,597
Deposits [1)]	EUR	1,122,870	EUR	1,411,578
Total Current Assets	**EUR**	**1,150,496**	**EUR**	**1,435,175**

[1)] The money market fund has a duration of less than 3 months and is therefore viewed, in accordance with IFRS, as a cash equivalent.

4. Pension Plans (Pension Scheme Commitments)

Annual Cost of the Undertaking	*01.01.-31.12.2010*	*01.01.-31.12.2009*
1. On-going Service Cost	2	13
2. Interest on the Pension Obligations	0	1
3. Expected Revenue from Planned Assets	(1)	(1)
4. (Losses / (profits) from planned cutbacks or payments	0	(17)
5. Entered calculated insurance losses / (profits)	12	4
6. Pension Costs of the Period	13	0
7. Actual income from plan assets	1	3

Development of the Obligations	*01.01.-31.12.2010*	*01.01.-31.12.2009*
1. Pension Obligations, Start Period	17	47
2. On-going Service Cost	2	13
3. Employee Contributions	8	9
4. Interest	0	1
5. (Profits) / Losses Relating To Insurance	13	9
6. (Profits)/Losses from plan cutbacks	0	(22)
7. Effects of plan payments	0	(30)
8. Pension Payments through Pension Assets and Net Adjustment	(14)	(10)
7. Pension Obligations End Period	26	17

All figures in thousand CHF

Development of the Assets	*01.01.-31.12.2010*	*01.01.-31.12.2009*
1. Market Value of the Assets, Start Period	18	28
2. Expected Revenue from the Assets	1	1
3. Profit/Loss from the asset revenue	0	2
4. Employee Contributions	8	9
5. Employer Contributions	0	18
6. Effects of plan payments	0	(30)
6. Pension Payments through Pension Assets and Net Adjustment	(14)	(10)
7. Other	(8)	0
8. Market Value of the Assets, End of Year	5	18

Summary of the Coverage Status	*31.12.2010*	*31.12.2009*
1. Pension Obligations	26	17
2. Market Value of the Assets	(5)	(18)
3. Under- (Over-) coverage, 1+2	21	(1)
4. Profits / (Losses) not yet Amortised	(1)	0
5. Pension Liabilities/(Assets)	20	(1)

Development of the Pension Liabilities/(Asset Values) included in the balance sheet	*01.01.-31.12.2010*	*01.01.-31.12.2009*
1. Pension Liabilities/(Asset Values), Start of Year	(1)	17
2. Pension Costs for the Period	13	0
3. Employer Contributions	0	(18)
4. Other	8	0
4. Pension Liabilities/(Assets), End of Year	20	(1)

Substantial Security Categories	*31.12.2010*	*31.12.2009*
1. Shares	1	3
2. Bonds	2	9
3. Real Estate	1	2
4. Liquid Funds and other Financial Investments	1	4
5. Total	5	18
6. of which are Financial Instruments of the Company	0	0
7. of which are Real Estate Rented by the Company or Other Assets	0	0

All figures in thousand CHF

Development of Actuarial Profits / Losses as per	*31.12.2010*	*31.12.2009*
1. Actuarial Profit / Loss – beginning of year	0	(2)
2. Entered calculated insurance losses / (profits)	12	4
3. Actuarial Profit / Loss – beginning of year Revisions to assumptions	(2)	(1)
4. Actuarial Profit / Loss – beginning of year Experience variances	(11)	(8)
5. Profit / Loss – on Asset Plan	0	2
6. Effects of plan cutbacks and plan payments	0	5
7. Actuarial profits / (losses), year end	(1)	0

All figures in thousand CHF

Calculation Assumptions as of	*31.12.2010*	*31.12.2009*
1. Technical Interest Rate	2.85%	3.25%
2. Annual Wage Growth	2.00%	2.00%
3. Annual Pension Indexing	0.00%	0.00%

Assumptions for Determining Annual Cost	*01.01.-31.12.2010*	*01.01.-31.12.2009*
1. Technical Interest Rate	3.25%	3.50%
2. Expected Revenue from the Assets	3.44%	2.75%

The estimated contribution toward the plan by the employer is CHF 8,000 for 2011.

5. Other Operational Costs

The company had no “other operational costs” in 2010.

In 2009 the other operational costs consisted primarily of a claim entered on the books as affecting net income against a contractual partner (full allowance due to a lack of intrinsic value) and a claim entered on the books as affecting net income against Cristián Mantzke and Markus Gildner. The Board of Directors decided on June 2, 2009 to enter the claim retroactively to March 31, 2009, as the balance on the accounts available for the underlying transactions (purchase of a bond and currency hedging) at the time of the decision showed that the company had not actually incurred a loss.

6. Other Operational Revenue

In 2010, the other operational revenue consists of the liquidation surplus from the US subsidiary "The Fantastic Corporation (USA) Inc."

In 2009 the main sources of other operational revenue were a refund from BaFIN attributable to a previous fiscal year and a claim against a business partner.

7. Income Taxes

Income taxes recorded in the statement of recognised income and expense

		2010		2009
Pre-Tax Profit/Loss	EUR	-489,186	EUR	-956,716
Expected Tax Revenue with a Tax Rate of 16%	EUR	78,270	EUR	153,075
Effect of Unused Tax Losses, Not Recorded As Deferred Tax Assets	EUR	-78,270	EUR	-153,075
Rebate of Earlier Tax Years	EUR	0	EUR	0
Income Tax Owed for the Current Year	EUR	0	EUR	0
Effective Tax Revenue and/or Tax Costs	**EUR**	**0**	**EUR**	**0**

Tax Losses Carried Forward and Tax Credits

Tax losses carried forward, for which no deferred tax assets have been recorded:

		2010		2009
Forfeiture 2009	EUR		EUR	26,894,898
Forfeiture 2010	EUR	17,941,319	EUR	15,036,214
Forfeiture 2011	EUR	678,048	EUR	568,257
Forfeiture 2012	EUR	1,651,074	EUR	1,428,103
Forfeiture 2013	EUR	659,457	EUR	509,213
Forfeiture 2014	EUR	967,979	EUR	808,321
Forfeiture 2015	EUR	705,633	EUR	596,922
Forfeiture 2016	EUR	1,233,501	EUR	
Total	**EUR**	**23,837,011**	**EUR**	**45,841,928**

Note: The loss carry forwards shown in the table do not contain the net loss 2010, yet.

8. Sale of subsidiary companies

Sale profit from the disposal of "The Fantastic IP GmbH"

		18.02.2010
Cash and Cash Equivalents	EUR	7,977
Claims	EUR	9
Accrued Liabilities	EUR	-10
Net assets	*EUR*	*7,976*
Sale price	EUR	9,157
./. Net assets	EUR	-7,976
Profit	**EUR**	**1,181**

Net currency inflow from sale of "The Fantastic IP GmbH"

		27.09.2010
Sale price	EUR	9,157
./. Subsidiary liquid assets	EUR	-7,977
Net currency inflow	**EUR**	**1,180**

9. Business Transactions with Related Persons

According to IAS 24, relationships and business transactions with commercially-related companies and natural persons shall be stated since their relationship can have an effect on the asset, financial and revenue situation of the Group.

Salaries of Board Members and Management

All figures in EUR

	01.01.2010 - 31.12.2010			
	Oliver Krautscheid President of the Board of Directors	Roger Meier Member of the Board of Directors	Markus Gildner Member of the Board of Directors	**Total**
Salaries	0	0	0	**0**
Board members' fees	83,292	8,693	49,089	**141,074**
Consultancy Fees	0	0	0	**0**
Pension Contributions	2,891	0	2,453	**5,344**

All figures in EUR

	01.01.2009 - 31.12.2009				
	Oliver Krautscheid President of the Board of Directors	Roger Meier Member of the Board of Directors	Markus Gildner Member of the Board of Directors	Cristián Mantzke Member of the Board of Directors	**Total**
	since 30.04.2009		since 30.04.2009	until 10.08.2009	
Salaries	0	0	0	47,696	**47,696**
Board members' fees	48,184	11,885	26,127	3,760	**89,956**
Consultancy Fees	33,643	0	0	0	**33,643**
Pension Contributions	0	0	0	1,297	**1,297**

Other payments to related persons

	01.01.-31.12.2010		01.01.-31.12.2009	
Fees Lutz RA [1]	EUR	52,244	EUR	83,384
Global Agenda GmbH [2]	EUR	10,861	EUR	9,138
Total	**EUR**	**63,105**	**EUR**	**92,522**

[1] Mr Roger Meier, Member of the Board of Directors, is a partner in the law firm "Lutz Rechtsanwälte".
[2] Mr Markus Gildner, member of the Board of Directors is Managing Director of Global Agenda GmbH.

Transactions with Related Persons or Parties

"The Fantastic IP GmbH" was sold to a member of the Board of Directors on February 18, 2010. For further details (Sales profit, net funds inflow, etc.) see item 8.

10. Share Capital

	31.12.2010	31.12.2009
Number of registered shares	7,016,400	7,016,400
Number of authorised shares [1]	3,399,984	3,399,984
Number of conditional shares [2]	1,200,000	1,200,000
Par value per share (CHF)	0.35	0.35
Share capital in EUR [3]	1,438,190	1,438,190

[1] At the general meeting on April 30, 2009 the Board of Directors was authorised to increase the share capital at any time before April 30, 20011 to a maximum amount of CHF 3,400,000 by issuing a maximum of 340,000,000 fully paid up, transferable shares with a nominal value of CHF 0.01 per share. As a result of the corporate action described under item 12 the number of shares fell from 340,000,000 to 3,399,984.

[2] The share capital can be increased by issuing a maximum of 120,000,000 fully paid-up bearer shares each with a nominal value of CHF 0.01 up to a maximum amount of CHF 1,200,000. This is exercised by means of option rights which are granted to members of the Board of Directors and employees of the Group or its subsidiaries based on one or more employees' ownership plans approved by the Board of Directors. As a result of the reverse split in a ratio of 100:1 described under item 12, the number of conditional shares fell from 120,000,000 to 1,200,000.

[3] The Company's share capital will be converted at the market price on the date of the capital transaction.

11. Shareholder structure

	31.12.2010	31.12.2009
Global Derivative Trading GmbH	43.51%	43.51%
Alliance Growth Foundation LTD	12.91%	9.97%

12. Capital Measures in the Report Year 2009 (Issue of new bearer shares / reorganisation)

1. Approved capital increase – issue of new bearer shares

The Board of Directors determined, on the basis of the capital increase approved at the AGM on April 30, 2009, to issue 1,572 new bearer shares at CHF 0.01 to the employee Alexander Koppel. The time of issue was set for September 29, 2009 and the shares were paid for by means of a cash deposit.

2. Reorganisation

With the shareholders' decision at the AGM on October 21, 2009, the following capital actions were implemented legally by the end of the fiscal year:

a. 100:1 reverse split of shares

701,640,000 bearer shares each with a nominal value of CHF 0.01 became 7,016,400 bearer shares each with a nominal value of CHF 1.00.

b. Decrease of equity capital

By reducing the nominal value of each bearer share from CHF 1.00 to CHF 0.35 the company's equity capital was reduced by CHF 4,560,660.00 in total and the losses of the adverse balance partially eliminated.

13. Events After The Accounting Cut-off Date

None

14. Approval by the Board of Directors

The consolidated accounts were released for publication by the Board of Directors on April 27, 2011 and will be presented to the general meeting for approval.

15. Linguistically decisive version

This Annual Report appears in German and English languages. Only the German version is legally binding. The English version is a translation.

Zug, April 2011

Oliver Krautscheid *President of the* *Board of Directors*	**Roger Meier** *Deputy President of the* *Board of Directors*	**Markus Gildner** *Member of the* *Board of Directors*

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